

ASSEMBLY BILL

No. 1067

Introduced by Assembly Member Medina

February 22, 2013

An act to add Chapter 4.2 (commencing with Section 6315) to Division 7 of Title 1 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 1067, as introduced, Medina. Economic development: foreign trade.

The Governor's Office of Business and Economic Development serves as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. The office, among others, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals.

This bill would establish the California Foreign Investment Program. The bill would require the Governor's Office of Business and Economic Development to serve as the lead state entity under specified provisions of the federal Immigration and Nationality Act. The bill would authorize the office take all necessary action to assist individuals seeking to invest in this state through the EB-5 Program including, but not limited to, providing a support letter for regional center applications to the United States Citizenship and Immigration Service. The bill would require the Director of the office to, among other things, establish reporting and monitoring requirements, as specified. The bill would authorize specified

public or private corporation to establish, operate, and maintain a regional center, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 4.2 (commencing with Section 6315) is
2 added to Division 7 of Title 1 of the Government Code, to read:

3
4 CHAPTER 4.2. CALIFORNIA FOREIGN INVESTMENT PROGRAM
5

6 6315. (a) This chapter shall be known and may be cited as the
7 California Foreign Investment Program.

8 (b) For purposes of this chapter:

9 (1) "Director" means the Director of the Governor's Office of
10 Business and Economic Development.

11 (2) "Office" means the Governor's Office of Business and
12 Economic Development.

13 (3) "Public corporation" means the state, any political
14 subdivision thereof, any incorporated municipality therein, any
15 public agency of the state, of any political subdivision thereof, or
16 of any municipality therein, or any corporate municipal
17 instrumentality of this state or of this state and one or more other
18 states.

19 (4) "EB-5 Program" and the "Foreign Investment Program"
20 means Section 203(b)(5) of the Immigration and Nationality Act
21 (8 U.S.C. Sec. 1153(b)(5)).

22 6315.1. (a) The office shall serve as the lead state entity for
23 overseeing the state's participation with the United States
24 Citizenship and Immigration Service's EB-5 Program. The director
25 shall set the terms and conditions for issuing a state designation
26 letter within the structure and scope of the EB-5 Program.

27 (b) (1) An applicant for federal designation as a regional center
28 shall register with the office and provide the office with appropriate
29 contact information and other information determined by the office
30 as relevant to the operation of the EB-5 Program in this state.

31 (2) A regional center operating within this state shall annually
32 provide information to the office on the number of clients served,

1 location of investments, and number of direct and indirect jobs
2 created.

3 (c) (1) An applicant for a visa from the United States
4 Citizenship and Immigration Service under the EB-5 Program may
5 register with the office.

6 (2) The office may provide assistance to an applicant, registered
7 with the office pursuant to this subdivision, with the applicant's
8 EB-5 visa application.

9 (3) The office may charge a fee for these services.

10 (d) (1) The office may provide a support letter for regional
11 center applications to the United States Citizenship and
12 Immigration Service.

13 (2) The director shall, consistent with federal and state
14 requirements, at a minimum establish reporting and monitoring
15 requirements that identify the number of businesses assisted, the
16 size of those businesses by number of employees and gross
17 revenues, and the number of jobs created and retained.

18 (3) The director shall post on the office's Internet Web site a
19 list with contact information for each regional center applicant that
20 receives a designation letter from the director.

21 6315.2. (a) Any public or private corporation authorized by
22 this chapter to apply to establish, operate, and maintain a regional
23 center whose application is granted pursuant to the terms of the
24 Immigration and Nationality Act may establish, operate, and
25 maintain the regional center subject to the conditions and
26 restrictions of the EB-5 Program, and any amendments thereto,
27 and any conditions and restrictions established by the director
28 pursuant to this chapter.

29 (b) If authorized to establish, operate, and maintain a regional
30 center, a public corporation may, in addition to its other powers,
31 do either of the following:

32 (1) Provide for indemnity or assurance to the federal government
33 or its agencies as they may request.

34 (2) Deposit moneys with the federal government, as the federal
35 government or its agencies may request, provided those moneys
36 are available by direct appropriation or otherwise.

37 6315.3. The office may take all necessary action to assist
38 individuals seeking to invest in this state through the EB-5
39 Program, including, but not limited to, collaborating with the
40 United States Department of Justice in assisting applicants in

1 obtaining the necessary security background checks for the
2 program.
3 6315.4. This chapter shall apply only to EB-5 activities of the
4 state relating to the EB-5 Program occurring on or after January
5 1, 2014.

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